BUDGET SPEECH

DELIVERED BY

HON. H. T. DUFFY

PROVINCIAL TREASURER

.... IN THE ....

LEGISLATIVE ASSEMBLY OF QUEBEC

MARCH 8th, 1901

QUEBEC
PRINTED BY FRANK CARREL

1901

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Mr. Speaker,

DEATH OF MR. MARCHAND

On the 25th of September last the hand of Death struck down the late Treasurer of this Province before he had had an opportunity of explaining to this House the history of the last financial year, over which, amidst failing health, though with unfaltering care, he had so successfully watched.

One of the newspapers of this city, a political opponent, announced his death with the heading "*A good man has gone to his reward,*" and the people of this Province irrespective of political party, amidst universal sorrow mourned his death as that of a man whose life had been absolutely devoted to duty, and to the best interests of the Province.

RESULTS OF MARCHAND ADMINISTRATION

Before entering into the consideration of the financial year which has just closed, I may be permitted to pause for a moment to glance at the results achieved by the Marchand Administration compared with the results of the former Administrations during the five years which immediately preceded his.

The results of the five years Administration previous to July, 1897, were briefly as follows :

1. The public debt increased by	$ 3,869,081 10
2. The funded debt increased by	9,021,334 07
3. An annual deficit of	291,481 71
4. A total deficit for the 5 years of	1,457,408 56
5. Increased taxes amounting annually to	452,490 51
6. Total increased taxes for the five years	2,262,452 55
7. Total of deficits and new taxes for the five years	3,719,861 11
8. Annual interest charges increased by	123,082 55

I do not cite the foregoing state of affairs for the purpose of casting blame upon any one, but simply for the purpose of showing the difficulties with which the Marchand Government was surrounded.

In addition to this the financial difficulties of that Administration were further increased by the diminution of the revenue, and by the increase of the expenditure by certain fixed charges, as follows :

1. By the abolition of certain taxes amounting to the sum of		$ 272,720 04
2. Diminution of annual interest on C. P. R. investment		32,214 00
3. By the increase of our expenditure of :		
(*a*) Interest on public debt	$60,893 04	
(*b*) Additional grant to education	50,000 00	
(*c*) Civil Government resulting from the organization of a new Department, with increase of salaries	16,249 01	
(*d*) Additional expenses arising from the increase of the sums granted for the maintenance of the insane, under 60 Victoria, chapter 6	22,000 00	149,142 05
Forming together		$ 454,076 09

The Public Accounts for 1896-97, showed a deficit in Ordinary Receipts and Expenditure of ..... $ 810,484 20
And in the total Receipts and Expenditure of 984,043 01

less guarantee deposits and railway subsidies.

During the first year of the Marchand Administration ending 30th June, 1898, the deficit in the Ordinary Receipts and Expenditure was reduced from.....	$810,484 20, in 1896-7
to.....	187,030 33, in 1897-8
being an improvement to the extent of.....	$ 623,453 87
During the second year of that Administration the deficits entirely disappeared and gave place to a surplus of Ordinary Revenue over Ordinary Expenditure of.....	$ 33,615 33, in 1898-9
During the third year of that Administration there was a surplus in ordinary receipts and expenditure of.....	$ 23,192 57

All this was accomplished practically without the imposition of any new taxes, and without increasing the sources of revenue.

It was the result of strict economy in expenditure and of carefully looking after the receipts.

In managing the financial affairs of the Province there no scope for brilliancy, but it may be fairly claimed for the Marchand Administration that if it did not surpass, it was at least equal to any of its predecessors.

FINANCIAL YEAR ENDING 30TH JUNE, 1900.

The Public Accounts for the fiscal year ending 30th June, 1900 show the Ordinary Receipts and Expenditure to have been as follows:

Ordinary Receipts.....	$4,451,578 29
Ordinary Expenditure.....	4,428,385 72
Surplus.....	$ 23,192 57

The total Receipts, less railway subsidies and repayment of railway guarantee deposits, but including Trust Deposits, have been as follows:

Receipts.....	$4,502,445 83
Expenditure.....	4,465,833 24
Surplus.....	$ 36,612 59

ESTIMATES.

The Estimates for the same year were:

Ordinary Receipts	$4,204,899 42
Ordinary Expenditure	4,155,755 97
Estimated surplus	$ 49,143 45

Included in the estimated receipts was an item of $30,000.00 from Railway Subsidies Tax, of which only $644.83 have been received. This practically amounts to the difference between the estimated and actual surplus.

The estimate of Ordinary Receipts, including the estimated amounts to be collected from Sheriffs and Revenue Collectors, and disbursed by them, was	$ 4,204,899 42
The actual Ordinary Receipts have been	4,451,578 29
More than the estimate by	$ 246,678 87
The estimate of Ordinary Expenditure was	$ 4,155,755 97
To which must be added the amount disbursed by the Sheriffs and Revenue Collectors from receipts	29,861 31
	$ 4,185,617 28
The Actual Ordinary Expenditure has been	4,428,385 72
More than the Estimates by	$ 242,768 44

DIFFERENCES BETWEEN ACTUAL AND ESTIMATED RECEIPTS AND EXPENDITURE EXPLAINED.

It will be seen from the above that there is considerable difference between the Estimated and the Actual Ordinary Receipts, but almost the same difference exists between the Estimated and the Actual Ordinary Expenditure, and the results are therefore to produce a surplus very little different from that which had been estimated.

Certain services show increases over that estimated, amounting in all to	$ 374,740 59
While other services show less by	128,061 72
So that the actual receipts have exceeded the estimates by	$ 246,678 87

The chief increase has been in the following services :

Lands, Forests and Fisheries	$ 249,371 73
Direct Taxes on Commercial Corporations	26,598 39
Duties on Successions	45,865 58
Maintenance of the Insane	12,713 87

The chief falling off from the estimates has been in the item of Licenses, amounting to 81,559 55
And the Railway Subsidies Tax, amounting to 29,355 17

PAYMENTS IN EXCESS OF ESTIMATES

The principal payments which have exceeded the estimates are the following :

Civil Government	$16,096 16
Administration of Justice, proper	54,657 06
Public Instruction	20,198 37
Agriculture	21,109 97
Lands, Forests and Fisheries	20,704 13
Colonization and Mines	55,845 00
Lunatic Asylums	20,400 00
Miscellaneous Services	40,455 57

And the principal payments which have been less than the estimates are :

Public Debt	$32,352 34
Public Works and Buildings (Ordinary)	3,193 64

COMPARISON OF THE RECEIPTS AND EXPENDITURE OF 1899-1900, WITH THOSE OF 1898-1899.

ORDINARY RECEIPTS.

The total amounts of Ordinary Receipts for 1899-1900, was	$ 4,451,578 29
And for the year 1898-1899	4,223,579 43
Being an increase for 1899-1900, of	$ 227,998 86

The chief items of increase are the following :

Lands, Forests and Fisheries	$ 256,126 06

Mines	7,835 55
Law Fees	5,552 67
Direct Taxes on Commercial Corporations	13,972 35
Lunatic Asylums, Municipal Contributions	32,473 59

The increases are explained as follows :

LANDS, FORESTS AND FISHERIES.....$ 256,126 06

This increase has been due to the increased demand for timber, and especially for pulp wood arising from the general prosperity of the country, and from the establishment of large pulp mills in our Province. There was a successful sale of timber limits during the year.

The receipts from Crown Lands include an item of $26,000.00 from the sale of the Seigniory of Mingan.

MINES..... $7,835 55

This increase is owing to the increased number of prospecting licenses, and to the increased sales of mining property.

DIRECT TAXES ON COMMERCIAL CORPORATIONS.... $13,972 35

This increase arises from the increase of capital employed in commercial and industrial undertakings. The nature of the different companies contributing this tax, and the amount of their contribution, is as follows ;

Banks	$ 35,026 67
Insurance Companies	49,266 05
Incorporated Companies	71,682 30
Loan Companies	4,013 31
Navigation Companies	2,659 86
Telegraph Companies	223 00
Telephone Companies	1,609 56
Tramway Companies	4,646 00
Railway Companies	18,885 55

MUNICIPALITIES FOR THE MAINTENANCE OF THE INSANE..... $32,473 59

This increase consists to a considerable extent of arrears due for previous years collected in 1899-1900.

ITEMS OF RECEIPTS FOR 1899-1900.

LESS THAN IN 1898-1899.

The main items of decrease under this heading are the following:

Dominion of Canada	$ 41,145 46
Licenses	20,307 21
Duties on Successions	17,130 05

EXPLANATION OF DECREASE

DOMINION OF CANADA..... $ 41,145 46

In his Budget Speech last year the Treasurer called attention to the abnormal increase in the Receipts from the Dominion for 1898-1899 arising from the payment of arrears of interest on Trust Funds during that year, which accounts for the apparent falling off in 1899-1900, when the payments assumed their normal proportions.

LICENSES..... $ 20,307 21

The decrease in revenue from Licenses, which is mainly outside of large cities, is caused by the increased numbers of rural municipalities which have adopted prohibitory by-laws, or have restricted the number of licenses. In more than two-thirds of the rural municipalities such by-laws are in force, and the revenue from these municipalities has in consequence been steadily decreasing. This speaks well for the moral condition of the people, but the revenue has suffered accordingly.

DUTIES ON SUCCESSIONS..... $ 17,130 05

The revenue from this source is entirely determined by the amount of the estates left by parties who die during the year and is beyond the control of the Government.

ORDINARY EXPENDITURE.

The total ordinary expenditure for 1899-1900 was..	$4,428,385 72
and for 1898-1899	4,189,964 10
Showing an increase of	$ 238,421 62

PRINCIPAL ITEMS OF INCREASE.

Legislation	$ 9,535 87
Civil Government	16,221 65
Administration of Justice	17,111 28
Public Instruction	63,743 56
Agriculture	18,341 71
Colonization	45,000 00
Lands, Forests and Fisheries	28,135 72
Miscellaneous	44,676 86

EXPLANATIONS OF INCREASES

LEGISLATION ..... $ 9,535 87

Increases:

Legislative Council	$ 481 27
Legislative Assembly	2,419 20
Printing and binding (both Houses)	10,055 30
Printing, &c., the Laws	2,000 00
	$14,955 77

Decreases:

Expenses to Elections	$ 3,099 05	
Indemnity of Revisors	2,320 85	5,419 90
		$ 9,535 87

CIVIL GOVERNMENT ..... $ 16,221 65

Increases:

Salaries	$ 4,221 65
Contingencies	12,000 00
	$16,221 65

The increase of $12,000.00 for Contingencies is divided as follows :

Lands, Forests and Fisheries Department	$ 8,000 00
Lieutenant-Governor	800 00
Provincial Secretary	500 00
Public Instruction	200 00
Colonization and Mines	1,000 00
Public Instruction	1,[illegible]00 00
	$12,000 00

ADMINISTRATION OF JUSTICE		$ 17,111 28
Increases :		
Salaries and expenses of Sheriffs, Prothonotaries, etc., Criminal Prosecutions, Miscellaneous, etc		$ 17,487 82
Reformatories		1,200 00
		$ 18,687 82
Decreases :		
Police	$ 624 69	
Inspection of Public Offices	951 85	1,576 54
		$ 17,111 28

The increase practically arises from the increase of salaries and contingencies in the offices of the Sheriffs and Prothonotaries in Montreal, and $2,849.25 paid to the City of Hull, being the amount of the Ottawa District Court House tax, under the Statute 60 Vic., cap. 7, collected through Law Stamps.

PUBLIC INSTRUCTION	$63,743 56
Increases :	
Polytechnic School Montreal	$ 500 00
Books for Prizes	2,000 00
Journals of Public Instruction	4,550 00
Teacher's Pension Fund	4,000 00
Elementary Schools (60 Vic, ch. 3)	53,065 09
St. Romuald College	500 00
Council of Arts and Manufactures	128 47
	$64,743 56

Decrease :

R. C. High School, Montreal	1,000 00
	$63,743 56

The increased expenditure for the Polytechnic School Montreal, Books for Prizes and Journals of Public Instruction was voted in the Supply Bill for 1899-1900. The increase of the grant to the Teacher's Pension Fund was made under the Education Act, 62 Victoria, chapter 28, article 513. The expenditure under 60 Victoria, chapter 3, in 1898-1899, was $13,133.28, and in 1899-1900, it was $66,198.37. These amounts are exclusive of the amounts expended under the same Acts for Night Schools in both years and charged under other heads.

AGRICULTURE		$ 18,341 71

Increases :

Agricultural Societies	$ 45 28	
Farmers' Clubs, etc	6,455 52	
Horticultural Society, Quebec	116 12	
Agricultural Schools	94 37	
Veterinary Schools	96 92	
Dairy Associations and Inspection of Butter and Cheese Syndicates	2,132 99	
Dairy Industry	1,029 68	
Culture of Fruit Trees	1,000 00	
Lectures on Agriculture	89 98	
Provincial Agricultural Merit	670 83	
La Métairie St. Joseph, St. Hyacinthe	1,000 00	
Improvement of rural roads	5,110 07	
Paris Exhibition	8,500 00	
		$ 26,341 76

Decreases :

Arbor Day	$	05	
Agricultural Exhibitions	3,000	00	
Compton Model Farms	5,000	00	8,000 05
			$ 18,341 71

COLONIZATION		$ 45,000 00
Increase :		
Colonization Roads	$ 45,000 00	

LANDS, FORESTS AND FISHERIES		$ 28,135 72
Increases :		
General Expenditure		$ 16,900 00
Fisheries and Game		9,600 00
Protection of Forests		3,000 00
		$ 29,500 00
Decreases :		
Suspense Account	$ 1,010 51	
Publication of Maps	349 58	
Laurentides National Park	4 19	1,364 28
		$ 28,135 72

The increase in General Expenditure was provided by Special Warrant, the Report of the Commissioner stating that it was required for expenses in connection with explorations of timber limits and water powers. The increase under Fisheries and Game is stated to have been caused principally by taking over the Fisheries from the Dominion.

MISCELLANEOUS		$44,676 86
Increases :		
Miscellaneous Generally		$ 1,133 29
Provincial Board of Health		4,000 00
Quebec Official Gazette		646 68
Stamps, Licenses &c		2,316 36
Collection of Licenses &c		49,957 60
Arbitration under 54 Vic. Ch. 4		260 50
Tenure of Land, Magdalen Islands		172 89
Inspection of Benevolent Institutions		1,204 16
Claim of Joseph Dussault		24,818 48
Neville Estate, re interruption of its lease of Chateau de Ramezay, Montreal		7,962 24
Payments by Sheriffs out of collection for Building and Jury Fund		460 11
		$ 92,932 31

Decreases :		
Municipalities Fund	$ 36.00	
Inspection of Railways	96 85	
Night Schools	119 25	
Quebec Industrial Establishments Act.	757 15	
Registrars, Salaries and Contingencies.	1,637 77	
Imperial Institute, London	100 00	
Pensions Civil Service	1,551 60	
Special Pensions	250 00	
Payments by Collectors of Provincial Revenue out of Collections for Licenses	43,706 83	43,255 45
		$ 44,676 86

The increase in the Provincial Board of Health arose from the expenditure in connection with the outbreak of smallpox, and the expenses of two members of the Board to Paris.

The increase in the costs of collection of Licenses paid by Warrant, $49,957.60, is compensated to the above amount of $43,706.83, decrease in the amounts paid by collectors out of their revenue.

The system now is that the collectors must pay into the Treasury the gross amount of their collections and obtain warrants for the expenditure in connection with the License service.

DECREASE IN EXPENDITURE

The chief item of decrease has been in the public debt, amounting to ..... $ 20,263 83
explained as follows :

Decreases:			
Redemption of debt		$ 2,725 34	
Discount and charges on conversion of debt...		30,080 74	
		$ 32,806 08	
Increases :			
Interest on Funded Debt	$ 3,140 12		
Interest on Unfunded Debt	6,226 41		
Sinking Fund	2,823 26		
Commission, Stamps, Advertising &c	21 93		
Premium, Discount and Exchange	325 53	12,542 25	
		$ 20,263 83	

It will thus be seen that although there is a considerable increase in the expenditure of last year over the year preceding, it is mainly in the three important branches of Education, Agriculture and Colonization, the increase in these three amounting to..... $ 127,085 27

There is no pretence that the money has not been prudently expended, and the only fault probably that any one will find with this expenditure is, to express the hope that we had the means to make it still larger.

THE INCREASE OF..... $ 28,135 72

in Lands, Forests and Fisheries was such as must be expected in a department of ever increasing importance, and where there has been such an extraordinary increase of revenue.

THE CURRENT YEAR

The statement of the Receipts and Payments for the current year up to the 25th of February, 1901, have been brought down and laid before the House. They show that certain extraordinary payments have been made which were not mentioned in the estimates, the principal of which are the following :

In connection with the fire at Hull	$ 25,000 00
For the funeral of the late Hon. Mr. Marchand.....	9,383 33
Election expenses, about.....	40,000 00
Making for these three items.....	$ 74,383 33
All the election expenses except for one county are in, and have been paid, and the amount is.....	$ 36,082 01
When the amount still unpaid is taken into account the total will not exceed.....	$ 40,000 00
The expenses of the General elections in 1897, were.	75,379 60
Showing a saving at the last elections of.....	$ 35,379 60

Elections by acclamation have many advantages, not the least of which is that of economy.

In the Receipts so far there is a considerable falling off under the head of Succession Duties, of about $130,000.00.

This is a matter of course beyond the control of the Government as has already been explained. It may be mentioned however that there is

reason to suspect that the law is being evaded by many persons by the disposal of their estates by donation *inter vivos*, even in contemplation of death, rather than by will.

In England and other countries where the succession tax exists, this has been guarded against by providing that transfers of property within a certain period of the owner's death, by donation, are regarded as equivalent to transmissions owing to death. It may be necessary to consider whether similar provisions should not be placed in our own law.

It is yet too early in the financial year to forecast with any degree of certainty the exact results.

It may not be amiss, however, to mention that our expenditure, even when kept down to the closest limits, is ever on the increase. Our increase in population carries with it a heavy increase of expenditure in the administration of Justice, in Asylums, in Colonization, in Education, and in fact it affects every branch of the service. Above all we have ever with us the interest on the Public Debt, amounting to more than $1,500,000.00 per annum.

Our income on the other hand, is not an expanding one, but is largely fixed.

While the population increases and commerce expands, our subsidies from the Dominion always remain the same.

It is useless to disguise the fact that economize as we will, the question of more revenue must present itself to every Treasurer.

ESTIMATES FOR YEAR 1901-1902

The following are the Estimates of Receipts and Expenditure for the year 1901-1902. They have been carefully prepared from the information obtained from the different Departments and with a due regard for strict economy:

I estimate the total Ordinary Receipts at.....	$4,321,761 89
and the total Ordinary Expenditure at.....	4,267,643 28
Surplus of Ordinary Receipts over Ordinary Expenditure.....	$ 54,118 61
Extraordinary Expenditure.....	33,300 00
Total estimated surplus of Ordinary Receipts over ordinary and extraordinary expenditure less Railway subsidies.....	$ 20,818 61

ESTIMATED RECEIPTS 1901-1902.

Dominion of Canada:		
Subsidy under B. N. A. Act	$959,252 80	
Interest on Trust Funds	72,848 41	
Special Subsidy, 47 Vict., chap. 4	127,460 68	
Interest on Railway Subsidies under 47 Vict., chap 8	119,700 00	
		1,279,261
Interest:		
Interest on price of sale Q. M. O. & O. Railway	300,000 00	
Interest on Loans and Deposits	7,000 00	
		307,000 00
Lands, Forests & Fisheries		1,139,000 00
Mines		10,000 00
Administration of Justice:		
Law Stamps	195,000 00	
Law Fees	16,000 00	
Building and Jury Fund. (Gross revenue)	50,000 00	
Maintenance of Prisoners	9,000 00	
Gaol Guards, Montreal and Quebec	4,000 00	
Fines	200 00	
Montreal Gaol	1,500 00	
Other Gaols—Prisoners' earnings	200 00	
Montreal Court House	6,000 00	
High Constable's Fees, Quebec	500 00	
		282,400 00
Registration Stamps (including fees of salaried Registrars)		70,000 00
Licenses. (Gross revenue)		650,000 00
Direct Taxes on Commercial Corporations		180,000 00
Duties on Successions		265,000 00
Percentage on Fees of Public Officers		5,300 00
Percentage on renewals of Mortgages		200 00
Maintenance of Insane		75,000 00
Maintenance of Inmates of Industrial and Reformatory Schools		20,000 00
Legislation		8,000 00
Official Gazette		20,400 00
Rents of Public Buildings, &c		1,500 00
Casual Revenue		6,800 00
Provincial Insurance Companies—Contributions		400 00
Contributions to Pensions, Civil Service		5,000 00
Premium, Discount and Exchange		1,500 00
		4,306,761 89
Railway Subsidies Tax		15,000 00
		$ 4,321,761 89

ESTIMATED EXPENDITURE, 1901-1902.

	$ cts.
Public Debt	1,557,776 02
Legislation	198,044 70
Civil Government	280,561 00
Administration of Justice, &c	512,658 55
Public Instruction, &c	461,560 00
Public Works and Buildings—Ordinary	100,107 26
Agriculture	189,750 00
Lands, Forests & Fisheries	141,000 00
Colonization & Mines, &c	136,750 00
Lunatic Asylums, Reformatories, &c	413,825 00
Charities	45,210 75
Charges on Revenue	127,500 00
Miscellaneous Services	102,300 00
	4,267,643 28
Public Works and Buildings—Extraordinary	33,300 00
	4,300,943 28
Railway Subsidies	191,534 00
	$4,492,477 28

CASH OPERATIONS 1899-1900.

Cash in Banks 30th June, 1899.			$ 201,970 05
From which have been paid outstanding Warrants at 30th June, 1899			87,476 18
			$ 114,493 87
The Receipts from 1st July, 1899, to 30th June, 1900, were :			
Ordinary Revenue		$4,451,578 29	
Trust Deposits		50,867 54	
		$4,502,445 83	
The payments (exclusive of Railway Subsidies and Railway Guarantees Deposits) from 1st July, 1899 to 30 June, 1900, were :			
Ordinary Expenditure	$4,428,385 72		
Extraordinary Expenditure	5,000 00		
Trust Deposits	32,447 52	4,465,833 24	
			$ 36,612 59
Excess of Receipts			$151,106 46
The Payments of Railway Subsidies and Railway Guarantee Deposits from 1st July, 1899, to 30th June, 1900, have been :			
Railway Subsidies		$ 90,276 22	
Railway Guarantee Deposits		33,072 12	123,348 34
Balance of Cash on 30th June, 1900,			$ 27,758 12
Viz :			
Cash in Banks		$ 160,425 05	
Less Outstanding Warrants included in above payments		132,666 93	27,758 12

Approximate statement of Liabilities and Assets of the Province of Quebec at 30th June, 1900.

LIABILITIES.

Funded Debt outstanding as existing before conversion	$33,345,870 67	
Increase of capital by conversion	1,726,156 76	
		35,072,027 43
Temporary Loans		700,000 00
Trust Deposits		348,366 05
Outstanding Warrants		132,666 93
Railway money subsidies authorized but not yet earned	$267,183 87	
Railway land subsidies converted into money subsidies at 52½ cents per acre, authorized but not yet earned	458,483 58	
		725,667 45
Grant to bridge over the St. Lawrence		250,000 00
Loss on Exchange Bank deposit		25,218 75
Quebec Court House bonds		176,000 00
		$37,429,946 61

ASSETS.

Part of price of Q. M. O. & O. Ry., deposited in Banks	$377,390 00		
do do invested in $29,000 Province of Quebec bonds, loan of 1878, bought at 109%	31,610 00		
do do invested in Quebec Court House bonds	176,000 00		
do do invested in City of Quebec bonds	15,000 00		
Balance of price Q. M. O. & O. Ry., unpaid	7,000,000 00		
		7,600,000 00	
Province of Quebec 3% Inscribed Stock		55,646 38	
Railway grant under Dominion Act 47 Vic., Cap. 8		2,394,000 00	
Cash in Banks		160,425 05	
Cost of Jacques Cartier School, Montreal, to be repaid from sale of property		5,391 11	
Claim *in re* late Honble. Thomas McGreevy		100,000 00	
Advances to various parties		159,332 89	
Quebec Court House tax, under 45 Vic., Cap. 26, and 48 Vic., Cap. 16.		176,000 00	
			10,650,795 43
Excess of Liabilities over Assets at 30th June, 1900.			$26,779,151 18

Excess of Liabilities over Assets at 30th June, 1899.....			$26,625,562 47
The following changes have been made in the Liabilities and Assets during the year, by the payments and receipts:			
Increase of Liabilities			
Capital of Funded Debt (by Conversion)..		$10,729 04	
Trust Deposits.....		18,420 02	
Outstanding Warrants.....		45,190 75	
Grant in aid of Bridge over the St. Lawrence.....		250,000 00	
		$324,339 81	
Decrease of Liabilities			
Funded Debt (by redemption)	$67,549 33		
Railway Guarantee Deposits..	33,072 12		
Railway Subsidies.....	90,276 22		
Quebec Court House Bonds...	24,000 00	214,897 67	109,442 14
			$26,735,004 61
Increase of Assets			
3 per cent Inscribed Stock.....		23,898 43	
Decrease of Assets			
Advances.....	$2,500 00		
Cash.....	41,545 00		
Quebec Court House Tax.....	24,000 00	68,045 00	44,146 57
Excess of Liabilities over Assets at 30th June, 1900.....			$26,779,151 18
Excess of Liabilities over Assets 30th June, 1899.....			$26,625,562 47
" " " " 1900.....			26,779,151 18
Increase of Excess of Liabilities.....			153,588 71
Increase of Capital of Funded Debt by Conversion.....			10,729 04
			$ 142,859 67
Accounted for as follows:			
Amount by which the Asset for Advances has been reduced.....		$2,500 00	
Amount by which the Liabilities have been Increased by the Grant to the Bridge over the St. Lawrence.....		250,000 00	
		$252,500 00	

Less			
Surplus of Ordinary Revenue over Ordinary and Extra-Ordinary Expenditure, including redemption of $67,549.33 of bonds of the loan of 1880 and purchase of $23,898.43 of Inscribed Stock for Sinking Fund...	18,192 57		
Amount by which the liability for Funded Debt has been diminished	67,549 33		
Amount by which the Asset for Sinking Fund has been increased	23,898 43	109,640 33	142,859 67

Exclusive of $[illegible],729.04, by which the capital of Funded Debt has been increased by Conversion, and the $250,000 granted in aid of the construction of the bridge over the St. Lawrence, the excess of Liabilities has been reduced during the year by the sum of $107,140.33.

FUNDED DEBT.

At 30th June, 1899 the funded debt outstanding was.....		$35,128,847 72
At 30th June, 1900 do do		35,072,027 43
Reduction of Funded Debt.....		56,820 29
Accounted for as follows :—		
Bonds of loan of 1880 redeemed.....	67,549 33	
Bonds of various loans redeemed in Conversion of Debt.....	59,957 34	
	$127,506 67	
Less :—		
3 per cent Inscribed Stock issued in conversion.....	70,686 38	56,820 29
The Funded Debt at 30th June, 1900, consisting of the bonds outstanding of the various loans of the Province was :.....		35,072,027 43
Against which the Sinking Funds invested amounted to..... ...		10,049,646 38
Leaving the balance of Funded Debt unprovided for...		$25,022,381 05

UNFUNDED DEBT.

At 30th June, 1900, consisted of:—

Temporary Loans		700,000 00
Trust Deposits		348,366 05
Outstanding Warrants		132,666 93
Railways Subsidies granted but not earned		725.667 45
Grant to Bridge over the St. Lawrence		250,000 00
Loss on Exchange Bank deposit		25,218 75
		$ 1,756 770 13

Against which there are:

Cash in Bank	$160.425 05	
Claims against individuals and Corporations for loans and advances	264.724 00	425,149 05
Leaving a balance of unfunded debt to be provided for		$2,181,919 18

Which is $234.307.43 more than last year.

Amount of Funded debt unprovided for	$25,022.381 05
" Unfunded debt " "	1,756.770 13
Total debt unprovided for	$26,779,151 18

CONVERSION OF DEBT. UNDER 60 VICT., CAP. 2.

The following bonds have been converted during the year through the Agency of the Bank of Montreal, London:

Loan of 1874	$ 2,433 34
" 1880	31,244 00
" 1882, London	26,280 00
	$59,957 34
The premium paid on these bonds amounted to	7,194 73
	$67,152 07
The discount at 5 p. c. on the Inscribed Stock issued amounted to	3,534 31
Amount of 3 per cent Inscribed Stock issued	$70,686 38

The principal of the debt was increased by Conversion during the year $10.729.04.

The total amount of bonds converted up to 30th June, 1900, is		$7,393,254 65
For which has been issued 3 p. c Inscribed Stock for..		9,119,411 41
Increase of principal of debt by Conversion		$1,726,156 76
The annual interest on the $7,393,254.65 of converted bonds was		$331,256 39
The annual interest on the $9,119,411.41 of Inscribed Stock is	$273,582 31	
The annual Sinking Fund required to redeem $1,726,156.76, increase of principal of debt, by the 1st April 1937, is	22,912 80	296,495 11
Annual saving by Conversion until the date when the original bonds will have commenced to mature...		$34,761 28

Against these annual savings is the commutation of stamp duties on the $9,119,411.41, amounting to $56,996.32.

ARBITRATION.

COMMON SCHOOL FUND.

At the time of the last session of this Legislature, progress in the statement of the accounts of this Fund had been arrested pending the decision of the Supreme Court on an appeal by Ontario from the awards of the Arbitrators of the 6th March, 1896, and of the 21st October, 1899.

The House has in previous years been informed of the nature and effect of these awards, which made Ontario liable to the Common School Fund for the amount of the reductions in price and rebatements of interest allowed to purchasers of Common School lands by the Government of Ontario, under the authority of an Act of their Legislature of the 2nd March, 1872.

This Act provided that these reductions and rebatements were to be made by paying the amounts out of the Consolidated Revenue Fund of Ontario and that Quebec's interest was not to be affected, but, it was found on examining the books, that the full amount of these deductions and abatements had been allowed out of the Common School Fund collections, and Ontario attempted to justify this action which was in direct contravention to the above mentioned Statute, but the Arbitrators adjudged Ontario liable for the full amount of all reductions and rebatements except in cases where they could be shown to have been made in a fair and prudent administration of the Fund.

On the 1st May, 1900, this appeal of Ontario was, on the motion of the Counsel for Quebec, quashed by unanimous decision of the Court, and, after a meeting of the Arbitrators held on the 2nd June, two accountants, Messrs. Robert Forsythe, nominated by Ontario, and Albert Swindlehurst, nominated by Quebec, were appointed to revise and correct the items composing the statements prepared in 1894 by Mr. John Hyde, of the amounts for which Ontario was liable to the Common School Fund by reason of deductions in price and interest allowed to purchasers of these lands by the Government of Ontario.

These accountants only completed this work in the mouth of January of this year and the revised and corrected statements are now ready to be submitted to the Arbitrators. There are a few items on which the accountants could not agree, reserved for the decision of the Board.

It is, therefore, expected that at the first meeting of the Arbitrators the amounts for which Ontario is indebted to the Fund in respect of collections on account of sales to 31st December, 1892, will be determined. This amount will approximate $275,000.00, which added to the amount already in the hands of the Dominion will make the Fund on which the Dominion pays interest to Ontario and Quebec, in proportion to their respective populations, amount to $2,803,484 00.

The Fund will be further increased by the amount for which, under the above mentioned awards, Ontario is liable for interest on collections retained until 1889 instead of being paid half yearly to the Dominion in accordance with the award of 1870. The preparation of this interest account will probably be done jointly by accountants agreed upon by the Provinces or appointed by the Arbitrators.

The foregoing will complete the accounts of the Common School Fund as regards the collections to the 31st December, 1892, from sales of lands. There is, however, an amount of over $500,000.00 still outstanding, due by the purchasers of these lands who, we are informed, are able to pay their indebtedness in full without hardship, the lands being situated in the finest portion of Canada for Agricultural purposes, and their farms being with few exceptions extremely valuable.

It does not appear that Ontario, although by the terms of the award of 1870 allowed six per cent commission on the amounts received, has for thirty years made any effort to collect the balance due on these land sales but on the contrary, by changing the terms and conditions of the sales, has admit in the interest of the purchasers to refrain from paying.

Under the circumstances it has been deemed by this Government its duty to make a claim before the Arbitrators that the uncollected balances of principal and interest on these sales, or such proportion of them as is

right, fair and just, should be treated as monies due by Ontario to the Common School Fund at the 31st December, 1892, or that the Arbitrators should fix and determine a proper date at or by which Ontario should be considered as having received the said balances.

This claim was mad and argued at the meeting of the Arbitrators held on the 2nd June last and on the 13th September the Arbitrators, proceeding upon their view of a disputed question of law, made their award, ordering and adjudging that they have no authority or jurisdiction to entertain the said claim. This award being made without prejudice to the rights and interests of Quebec in the uncollected balances.

In view of the serious amount involved and, judging from the past administration of Ontario, the probability that the said balances would remain uncollected, in disregard of Quebec's interests and to the detriment of this Province, it was decided to appeal from this award to the Supreme Court.

It was expected that this appeal would have been heard at the last term of the Supreme Court, but the unavoidable absence of the Chief Justice, Sir Henry Strong, prevented there being a quorum to hear the appeal, Mr. Justice Gironard being disqualified from sitting owing to his having been of counsel in the Common School Fund case. The appeal will probably be heard at the next term of the Court.

It was considered that whether our appeal was sustained or dismissed it was most important that an exact statement of the amounts of these uncollected balances shoul be made out and recognized as correct by both Ontario and Quebec and a proposal was made to Ontario to unite in having a joint statement prepared by the same accountants who had prepared the joint statement of deductions &c., under the award of the 21st October, 1899, they being now freshly familiar with the accounts and records connected with the Common School land sales. The Government of Ontario, however, declined to join in the preparation of such a statement At the same time they offered access to the books and records of the Crown Lands Department to any one Quebec might appoint to make the statement *ex parte*.

It was then determined to instruct Mr. Swindlehurst, who had proved himself thoroughly competent and reliable to go on and prepare the statement of these outstanding balances and he is now engaged on this work.

ACCOUNTS WITH THE DOMINION

PROVINCE OF CANADA ACCOUNT

At the meeting of the Arbitrators on the 2nd June, a statement of the account between the Dominion and the late Province of Canada, now

represented by Ontario and Quebec, from Confederation to the 31st December, 1892, in the settlement of which so may and so difficult questions had arisen, having been agreed on by the representatives of the three Government was submitted to the Board. The amount of the liability of the Provinces for the increased annuities of the Indians of the Lakes Superior and Huron, and the amount fixed on as a capital sum, the payment of which relieves the two Provinces from all liability from and forever after that date having been approved by Orders in Council of the three Governments, were carried into the account, the balance to be debited to the individual accounts of the Provinces with the Dominion, in the proportion established by the Arbitrators in 1870 for the division of the excess of debt over $62,5000,00,00 of the late Province of Canada, amounted to $213,904.04, of which Quebec's share is $100,553,51.

QUEBEC ACCOUNT WITH THE DOMINION

The account between the Dominion and the Province of Quebec from Confederation to the 31st December, 1892, has also been completed but not yet submitted to the Arbitrators.

The balance of this account as it stands is $1,096,325.11 in favour of the Dominion, which is practically the amount of the two advances of $500,000 and $125,000 made by the Dominion to the Province in 1878 and 1879 respectively with interest thereon at five per cent.

On the other hand the Dominion hold certain Funds the property of this Province, amounting to $412,314,25, and the share of Quebec in the Common School Fund held by the Dominion in trust for the two Provinces amounts, on the basis of population, according to the census of 1891, to $1,044,653,86, on both of which sums the Dominion pays interest semi-annually at the rate of five per cent per annum.

Quebec's share of the Common School Fund will be increased by certainly more than $100,000 when the amounts for which Ontario is liable under the awards of the 6th March, 1896 and of the 21st October 1899 have been paid into the hands of the Dominion and there remains to be collected our share of the $500,000 of outstanding balances on sales of the Common School Lands.

CONCLUSION

In conclusion, Mr. Speaker, I have to thank this House for its kindness in listening with such patience to the detailed statements which I have felt it my duty to give of the financial affairs of the Province. The story of our financial history during the last three financial years is, on the whole, a pleasant tale to tell. After long years of deficits an equilibrium has at last been established between our Receipts and Expenditure, and we have modest surpluses to show. The rapid increase of the Public Debt

has been arrested and we have during the last three years, paid the sum of $225,131.99 in reduction of that Debt.

Practically no new sources of taxation have been imposed. It is true that large subsidies have not been voted as in the past, but the people of the Province have learned self reliance and no branch of any industry has suffered.

Agriculture has been more prosperous than ever before. The exodus of our population to the great Republic to the south of us has ceased, and Canadians now find a home in their native land.

Colonization has been encouraged in the highest degree. The Natural resources of our Province are becoming known abroad, and foreign capital is flowing in as never before. The capital brought into our Province to be invested in the pulp and paper industry is counted by millions. Our magnificent water powers are destined to make of the Province of Quebec one of the great manufacturing centres of the world.

Our people are united and happy. Party spirit, which has sometimes been acrimonious in the past, has practically disappeared. The people, irrespective of nationality, creed or party are united in their determination to make of the Province of Quebec not only one of the foremost Provinces of the Dominion, but one of the foremost countries of the world.

STATEMENT A.

Year	Payments.	Receipts.	Deficit.	Surplus.
1896-97	$4,907,281.71	$3,923,238.70	$984,043.01	
1897 98	4,449,045.48	4,236,015.14	213,030.34	
1898-99	4,234,410,81	4,249,589.99	....	$15,179.18
1899-00	4,465,833,24	4,502,445,83	.....	36,612.59

STATEMENT B.

1896-97.

PAYMENTS :

Ordinary Expenditure (including $84,680 for Bonds of Loan of 1880, redeemed)			$4,677,095 20
Extraordinary Expenditure (Public Buildings)			176,832 28
Purchase of Property			30,000 00
Payments on Trust Funds			14,999 01
Tax on Railway Subsidies :			
Costs of Collection		$ 413 17	
Refunds of Taxes Collected		7,942 05	
			8,355 22
			$4,907,281 71

RECEIPTS :

Ordinary Revenue		$3,874,803 18	
Sale of property	2,5[illegible]0 00		
Trust Fund Deposits	45,772 48		
Tax on Railway Subsidies.	163 04		
		48,435 52	
			3,923,238 70
Deficit			$984,043 01

1897-98.

PAYMENTS :

Ordinary expenditure (including $87,307 99 for Bonds of Loan of 1880 redeemed)			$4,364,686 68
Extraordinary expenditure (Public Buildings)			50,683 70
Payments on Trust Funds			33,675 10
			$4,449,045 48

RECEIPTS :

Ordinary Revenue		4,176,139 63	
Trust Fund Deposits	58,358 79		
Tax on Railway Subsidies.	1,516 72		
		59,875 51	
			4,236,015 14
Deficit			$ 213,030 34

1898-99.

PAYMENTS:

Ordinary Expenditure (including $70,274 67 for Bonds of Loan of 1880, redeemed)			$4,188,641 10
Extraordinary Expenditure (Public Buildings)			11,059 11
Payments on Trust Funds			33,387 60
Tax on Railway Subsidies—Refund			1,323 00
			$4,234,410 81

RECEIPTS:

Ordinary Revenue		$4,220,844 73	
Trust Fund Deposits	26,010 56		
Tax on Railway Subsidies	2,734 70		
		28,745 26	
			4,249,589 99
Surp[1]			$ 15,179 18

1899-00.

PAYMENTS:

Ordinary Expenditure (including $67,549 33 for Bonds of Loan of 1880, redeemed)			$4,428,385 72
Extraordinary Expenditure (Public Buildings)			5,000 00
Payments on Trust Funds			32,447 52
			$4,465,833 24

RECEIPTS:

Ordinary Revenue		$4,450,933 46	
Trust Fund Deposits	50,867 54		
Tax on Railway Subsidies	644 83		
		51,512 37	
			4,502,445 83
Surplus			$ 36,612 59

STATEMENT C.

RECEIPTS.

	1895-96	1896-97	1897-98	1898-99	1899-00
	$ c.	$ c.	$ c.	$ c.	$ c.
Dominion of Canada	1,231,798 59	1,257,183 70	1,266,413 48	1,320,137 28	1,278,991 82
Crown Lands	1,045,310 19	879,893 86	.....	.....	.....
Lands, Forests and Fisheries	.....	.....	1,087,042 52	1,043,245 67	1,299,3[illegible]1 73
Mines	.....	.....	7,872 67	4,125 93	11,9[illegible] 48
Law Stamps	186,278 50	177,426 80	182,490 40	195,570 50	194,110 10
Registration Stamps	61,338 51	63,875 90	66,423 95	68,850 95	68,003 49
Building and Jury Fund	23,828 40	27,565 83	23,433 81	30,612 13	29,232 42
Law Fees	14,329 34	9,654 38	16,642 96	14,980 79	20,533 46
Municipalities for maintenance of prisoners	11,322 06	12,751 96	8,121 18	9,166 43	8,546 70
Montreal Court House	4,381 94	2,123 88	5,155 79	5,938 96	7,075 99
Montreal Gaol	2,374 59	2,946 94	1,578 02	1,298 85	10 81
Gaol Guards, Montreal and Quebec	13,600 00	2,800 00	4,000 00	4,000 00	4,000 00
Prisoners' earnings, Quebec Gaol	42 01	140 75	192 66	109 01	150 60
do do Ste. Scholastique do	.....	.....	13 60	.....	.....
Gaol Farm, Quebec	10 00	.....	.....	.....	.....
Fines, Justice	147 50	246 60	136 50	209 50	174 85
High Constable's fees, Quebec	413 41	540 29	683 10	530 98	535 46
Ottawa District Court House Fund	.....	.....	.....	263 83	24 05
Licenses	663,087 46	586,176 42	615,043 83	613,747 66	593,440 45
Direct Taxes on Commercial Corporations	148,643 86	134,404 63	194,312 36	172,626 04	186,598 30
Tax on transfers of property	184,254 50	74,856 99	2,055 81	277 10	139 80
Direct Taxes on certain persons	17,507 67	3,507 74	1,380 18	686 43	16 00
Manufacturing and Trading Licenses	79,728 52	10,393 77	29,846 74	7,347 64	1,483 09
Duties on Successions	163,365 33	229,441 72	163,455 26	287,995 63	270,865 58
Percentage on fees of Public Officers	8,125 67	6,671 83	8,550 07	5,847 69	5,[illegible]91 87
Percentage on renewals of Mortgages	165 44	163 04	128 10	106 76	151 96
Legislation	11,491 51	8,391 39	8,780 12	9,349 13	12,572 63
Lunatic Asylums, Municipal Contributions	35,005 69	7,703 59	63,544 63	44,722 66	77,196 25
do Paying Patients	78 00	1,638 98	2,127 85	2,149 61	2,517 62
Reformatory and Industrial Schools	12,366 76	923 72	36,386 84	19,677 44	23,176 22
Quebec Official Gazette	23,182 60	21,637 58	20,958 55	18,544 56	17,879 89
Casual Revenue	4,880 85	7,570 62	8,121 49	8,367 44	7,782 25
Civil Service Contributions for Pensions	6,028 77	5,712 61	5,514 35	5,32[illegible] 72	[illegible],368 15
Provincial Insurance Companies, towards expenses of inspecti[illegible]	400 00	376 33	397 86	429 35	546 81

Provincial Insurance Companies, towards expenses of inspection	400 00	376 33	397 86	429 35	546 81

Public Works and Buildings, Rents	1,063 60	785 60	1,060 60	1,062 60	1,783 47
Railway Inspection Fees	492 00	204 00	72 00	108 00	108 00
Interest on Loans and Deposits	17,437 79	35,556 71	40,452 29	18,847 58	18,836 24
Premium, Discount and Exchange	29 00	2,141 15	2,916 72	4,023 86	2,511 65
Interest on price of sale, Q. M. O. & O. Ry	333,057 98	299,395 07	300,833 34	300,827 85	300,084 18
Refunds	21,897 81	.....	.....	.....	.....
Quebec Fire Loan	200 00	.....	.....	.....	.....
Dominion of Canada, General Account	244 70	.....	.....	.....	.....
	4,327,910 55	3,874,803 18	4,176,139 63	4,221,108 56	4,450,933 46
Sale of property in Quebec	.....	2,500 00	.....	.....	
TRUST FUNDS, REPAYMENTS, &c.:—					
Teachers Pension Fund	7,789 57	3,951 21	1,022 70	949 40	716 71
City of Hull Sinking Fund	163 40	167 63	173 84	179 64	184 10
Pointe à Gatineau Sinking Fund	100 00	100 00	100 00	140 00	140 00
Heirs and Estate F. E. Roy	880 50	884 50	886 10	866 50	880 80
Marriage License Fund	7,221 00	6,693 00	6,864 00	6,714 00	6,804 00
Security Deposits Public Officers	1,508 17	1,000 00	563 00	900 00	2,120 82
Deposit, St. Lawrence Fire Ins. Co	10,000 00	15,000 00	.....	.....	.....
Aylmer Court House Fund	.....	17,976 14	.....	.....	.....
Reimbursement Railway Subsidies Fund	3,285 62	163 04	1,516 72	2,734 70	644 83
Deposits under 59 Vict., cap. 34	.....	.....	5,000 00	5,000 00	15,000 00
do do 61 Vict., cap. 39	.....	.....	25,000 00	10,000 00	.....
Hull Court House Debentures Sinking Fund	.....	.....	968 15	997 19	1,027 11
Building and Jury Fund District of Rimouski; Insurance on Court House and Gaol	.....	.....	17,781 00	.....	.....
Quebec Court House Tax	.....	.....	.....	.....	24,000 00
	4,358,858 81	3,923,238 70	4,236,015 14	4,249,589 99	4,502,445 83
Temporary Loans	300,000 00	700,000 00	.....	.....	.....
Redemption Loan 1876, (Refund)	736 10	.....	.....	.....	.....
Proceeds Loan of 1896	2,044,000 00	1,124,200 00	.....	.....	.....
do do 1897	.....	1,224,000 00	.....	.....	.....
Proceeds of Inscribed Stock issued in conversion of Debt	.....	3,015,853 86	738,676 28	4,389,322 30	67,152 07
Cash on hand at 1st July of each year	543,033 37	784,799 49	1,391,428 65	490,663 59	201,970 05
	7,246,328 28	10,772,092 05	6,366,120 07	9,129,575 88	4,771,567 95

STATEMENT D.

EXPENDITURE

—	1895-96	1896-97	1897-98	1898-99	1899-00
	$ c.	$ c.	$ c.	$ c.	$ c.
Public Debt	1,497,429 99	1,550,874 16	1,591,177 03	1,558,323 03	1,538,059 20
Legislation	195,549 27	288,623 41	210,910 19	190,027 22	199,563 09
Civil Government	253,401 69	277,247 91	282,585 08	269,650 70	285,872 35
Administration of Justice	568,544 28	662,665 77	618,379 65	609,131 09	626,242 37
&c.	382,759 76	410,060 00	434,260 00	389,014 81	452,758 37
Public Instruction				175,418 26	193;759 97
Agriculture	286,814 09	404,695 75	307,476 97	79,000 00	124,000 00
Colonization				4,250 00	4,249 63
Immigration					
Public Works and Buildings:	97,544 64	165,783 76	127,483 73	83,968 98	92,209 15
Ordinary	58,485 34	176,832 28	50,683 70	11,059,11	5,000 00
Extraordinary	326,078 25	358,616 77	339,375 75	379,570 75	384,970 75
Asylums and Charities				121,568 41	149,704 13
Lands, Forests & Fisheries				57,243 00	60,845 00
Surveys and Mines	433,099 69	558,527 67	453,038 28		
Miscellaneous (including payments by Revenue officers out of collections)				271,474 85	316,151 71
	4,099,707 00	4,853,927 48	4,415,370 38	4,199,700 21	4,433,385 72
Purchase of property	.....	30,000 00	.....	.....	.....
Repayment Railway Guarantee Deposits	268,241 39	381,187 62	237,471 86	99,630 37	33,072 12
Trust Funds	17,459 02	14,999 01	33,675 10	33,387 60	32,447 52
Reimbursement Railway Subsidies Fund. Costs of Collection and Refunds	29,861 11	8,355 22	.....	1,323 00	.....
	4,415,268 52	5,288,469 33	4,686,517 34	4,334,041 18	4,498,905 36
Railway Subsidies and Q. M. O. & O. Railway	250,186 59	1,346,475 01	198,645 14	100,079 17	90,276 22
	4,665,455 11	6,634,944 34	4,885,162 48	4,434,120 35	4,589,181 58
Temporary Loans repaid	1,760,000 00	.....	.....	.....	.....
Redemption of debt by conversion:					
Part of Loans 1874 & prem.					
do do 1876 do	.....	.....	56,048 90	915,420 48	2,599 47
do do 1878 do	.....	.....	64,794 80	981,409 77	.....
do do 1880 do	.....	.....	163,584 00	178,491 23	.....
do do 1882 do	.....	.....	24,079 04	913,373 98	34,059 87
do do 1888 do	.....	.....	322,849 80	771,470 89	30,492 73
do do 1894 do	.....	.....	.....	315,494 00	.....
do do 1896 do	.....	.....	107,319 74	313,661 95	.....
	.....	3,015,853 86	.....	.....	.....
Add: Payment of Warrants outstanding at 30th June, 1895, 1896, 1897, 1898, 1899	6,425,455 11	9,650,798 20	5,623,838 76	8,823,442 65	4,656,333 65
	209,495 96	173,122 28	443,257 08	191,639 36	87,476 18
Deduct: Unpaid Warrants outstanding at 30th June, 1896, 1897, 1898 1899, 9	6,634,951 07	9,823,920 48	6,067,095 84	9,015,082 01	4,743,809 83
	173,122 28	443,257 08	191,639 36	87,476 18	132,666 93
	6,461,828 79	9,380,663 40	5,875,456 48	8,927,605 83	4,611,142 90

STATEMENT E.

ESTIMATED RECEIPTS 1901-1902.

Dominion of Canada:		
Subsidy under B. N. A. Act	$959,252 80	
Interest on Trust Funds	72,848 41	
Special Subsidy, 47 Vict., chap. 4	127,460 68	
Interest on Railway Subsidies under 47 Vict,, chap. 8	119,700 00	
		1,279,261 89
Interest:		
Interest on price of sale Q. M. O. & O. Railway	300,000 00	
Interest on Loans and Deposits	7,000 00	
		307,000 00
Lands, Forests & Fisheries		1,139,000 00
Mines		10,000 00
Administration of Justice:		
Law Stamps	195,000 00	
Law Fees	16,000 00	
Building and Jury Fund. (Gross revenue)	30,000 00	
Maintenance of Prisoners	9,000 00	
Gaol Guards, Montreal and Quebec	4,000 00	
Fines	200 00	
Montreal Gaol	1,500 00	
Other Gaols—Prisoners' earnings	200 00	
Montreal Court House	6,000 00	
High Constable's Fees, Quebec	500 00	
Registration Stamps (including fees of salaried Registrars)		262,400 00
Licenses. (Gross revenue)		70,000 00
Direct Taxes on Commercial Corporations		650,000 00
Duties on Successions		180,000 00
Percentage on Fees of Public Officers		265,000 00
Percentage on renewals of Mortgages		5,300 00
Maintenance of Insane		200 00
Maintenance of Inmates of Industrial and Reformatory Schools		75,000 00
Legislation		20,000 00
Official Gazette		8,000 00
Rents of Public Buildings, &c		20,400 00
Casual Revenue		1,500 00
Provincial Insurance Companies—Contributions		6,800 00
Contributions to Pensions, Civil Service		400 00
Premium, Discount and Exchange		5,000 00
		1,500 00
		4,306,761 89
Railway Subsidies Tax		15,000 00
		$ 4,321,761 89

STATEMENT F.

ESTIMATED EXPENDITURE, 1901-1902.

	$ cts.
Public Debt	1,557,776 02
Legislation	198,644 70
Civil Government	280,561 00
Administration of Justice, &c	512,658 55
Public Instruction, &c	461,560 00
Public Works and Buildings—Ordinary	100,107 26
Agriculture	189,750 00
Lands, Forests & Fisheries	141,000 00
Colonization & Mines, &c	136,750 00
Lunatic Asylums, Reformatories, &c	413,825 00
Charities	45,210 75
Charges on Revenue	127,500 00
Miscellaneous Services	102,300 00
	4,267,643 28
Public Works and Buildings—Extraordinary	33,300 00
	4,300,943 28
Railway Subsidies	191,534 00
	$4,492,477 28

STATEMENT G.

Approximate statement of Liabilities and Assets of the Province of Quebec at 30th June, 1900.

LIABILITIES

Funded Debt outstanding as existing before conversion	$33,345,870 67	
Increase of capital by conversion	1,726,156 76	
		35,072,027 43
Temporary Loans		700,000 00
Trust Deposits		348,366 05
Outstanding Warrants		132,666 93
Railway money subsidies authorized but not yet earned	$267,183 87	
Railway land subsidies converted into money subsidies at 52½ cents per acre, authorized but not yet earned	458,483 58	
		725,667 45
Grant to bridge over the St. Lawrence		250,000 00
Loss on Exchange Bank deposit		25,218 75
Quebec Court House bonds		176,000 00
		$37,429,946 61

ASSETS.

Part of price of Q. M. O. & O. Ry., deposited in Banks	$377,390 00		
do do invested in $29,000 Province of Quebec bonds, loan of 1878, bought at 109%	31,610 00		
do do invested in Quebec Court House bonds	176,000 00		
do do invested in City of Quebec bonds	15,000 00		
Balance of price Q. M. O. & O. Ry., unpaid	7,000,000 00		
		7,600,000 00	
Province of Quebec 3% Inscribed Stock		55,646 38	
Railway grant under Dominion Act 47 Vic., Cap. 8		2,394,000 00	
Cash in Banks		160,425 05	
Cost of Jacques Cartier School, Montreal, to be repaid from sale of property		5,391 11	
Claim *in re* late Honble. Thomas McGreevy		100,000 00	
Advances to various parties		159,332 89	
Quebec Court House tax, under 45 Vic., Cap. 26, and 48 Vic., Cap. 16.		176,000 00	
			10,650,795 43
Excess of Liabilities over Assets at 30th June, 1900			$26,779,151 18